Sectt. H-27—40,003—1-. 10-32.

P W. (1937) Department.

Misl SERIES.

G.O. No. 625 Elec

DATED 28/3/37

S. 345 30/4/37
48-1234

[Despatch Abstract.]

Electricity — Mangalore Electric. Licence — Accn. for 35-36 — Recorded.

THE MANGALORE ELECTRIC SUPPLY CO., LTD.

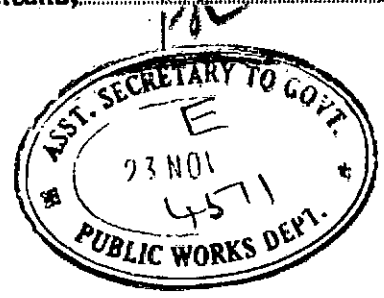
MANAGING AGENTS:
OCTAVIUS STEEL & CO., LTD.
CALCUTTA.

TELEGRAPHIC ADDRESS:
"LAPIZANDO, CALCUTTA."
TELEPHONE No. 146.

POST BOX No. 55.

Ref. No. MAN.A/095/5

Calcutta, November 20th. 1936



The Secretary to Government of Madras,
Public Works Dept.,
Madras.

Sir,

We have the honour to refer to G.O.No.M.S.1576 Elec. dated 7.7.36.

2. In the Statutory Accounts submitted we have given effect to the instructions contained in the G.O. except that which refers to "Demonstration Plant & Expenses" which we have included in the General Balance at 31.3.36 at a figure of Rs 6,119/3/9. The item in question we look upon as initial outlay to develop a demand for the Company's product in a particular business in Mangalore where up to now the possibilities of electrical power has not been appreciated and in these circumstances we regard the cost in a similar way to preliminary expenses (even if the expense was not incurred prior to incorporation of the Company) to be written off when profits are earned and available.

We have the honour to be
Sir,
Your most obedient servants
OCTAVIUS STEEL & CO.LTD

DIRECTOR
MANAGING AGENTS

B.A.

Form No 33a

THE MANGALORE ELECTRIC SUPPLY CO. LTD.

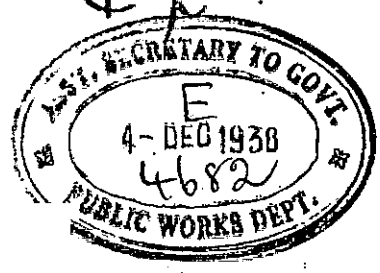
MANAGING AGENTS:
OCTAVIUS STEEL & CO., LTD.
CALCUTTA.

TELEGRAPHIC ADDRESS:
"LAPIZANDO, CALCUTTA."
TELEPHONE No. 146.

POST BOX No. 55.

Ref. No. MAN.A/C104/SP Calcutta, December 2nd. 193 6

Regd. Encl o.



The Secretary to the Government of Madras,
Public Works & Labour Department,
Madras.

Sir,

We have the honour to enclose the Statutory Statement of Accounts in triplicate of this Company for the year ended 31st March 1936 made up in accordance with Rule 32(3) of the Indian Electricity Rules of 1922 together with letters in original relating to the accounts from Messrs. Lovelock & Lewes, Chartered Accountants.

We have the honour to be
Sir,
Your most obedient servants
OCTAVIUS STEEL & CO.LTD

DIRECTOR
MANAGING AGENTS

B.A.

3

TELEGRAPHIC ADDRESS:- "VELOX," CALCUTTA.
TELEPHONE No 750 (2 LINES)
BENTLEY'S CODE

LOVELOCK & LEWES,
CHARTERED ACCOUNTANTS.

REGISTERED ACCOUNTANTS
UNDER
THE INDIAN COMPANIES ACTS.

4, Lyons Range,
Calcutta.

27th November, 1936.

The Secretary to the
Government of Madras,
Public Works & Labour Department,
MADRAS.

Dear Sir:

We have examined the Statement of Share Capital Appropriation and Forms numbered II, III, IV, V, VI, VII and VIII, which relate to the accounts of the Mangalore Electric Supply Co. Ltd. with the books and vouchers for the year ended 31st March, 1936.

SERVICE CONNECTIONS:

As the information necessary to comply with G. O. No.2732W dated 13th December, 1934, is not available, adjustments calculated as shown below, have been made in the published accounts in order to draw up the Statements to meet the requirements of the Government Order as near as is possible.

Service Connection Receipts for the year ended 31st March, 1936 (credited to Revenue Account for the year ended 31st March, 1936)	Rs.6,431. 4. 0.

On the assumption that consumers have been charged at cost plus the maximum of 15% for supervision, the cost to the Company of the Service Connections paid for by consumers the year ended 31st March, 1936, would be

$$Rs.6,431.\ 4.\ 0 \times \frac{100}{115} = Rs.5,592.$$

The amounts shown by the published accounts as Service Connections (Capital) have therefore been reduced as at 31st March, 1936, by Rs.5,592/- by debit to Net Revenue Account.

It is to be noted that the amount of depreciation written off Service Connections has not been reduced to

correspond with the reduction in the Capital Account.

For your information we enclose a copy of the published accounts of the Bangalore Electric Supply Co. Ltd. for the year ended 31st March, 1936.

Subject to the above remarks, we find that the accounts have been properly maintained in the Forms referred to in Rule 32(3) of the Indian Electricity Rules of 1922, and we are satisfied that only those items which properly belong to the Capital Account have been debited thereto, and nothing has been charged to the Revenue Account which may properly be debited to Capital Account.

Yours faithfully,

Lovelock & Lewes

ENCL:
R.

5

Form No 33a.

THE MANGALORE ELECTRIC SUPPLY CO., LTD.

MANAGING AGENTS:
OCTAVIUS STEEL & CO., LTD.
CALCUTTA.

TELEGRAPHIC ADDRESS:
"LAPIZANDO. CALCUTTA."
TELEPHONE NO. 146.

POST BOX NO. 55.

Ref. No. MAN.A/C95/5

Calcutta, November 20th. 1936

Same as the letter at p 1

The Secretary to Government of Madras,
Public Works Dept.,
Madras.

Sir,

We have the honour to refer to G.O.No.M.S.1576 Elec.dated 7.7.36.

In the Statutory Accounts submitted we have given effect to the instructions contained in the G.O. except that which refers to "Demonstration Plant & Expenses" which we have included in the General Balance sheet at 31.3.36 at a figure of Rs 6,119/3/9. The item in question we look upon as initial outlay to develop a demand for the Company's product in a particular business in Mangalore where up to now the possibilities of electrical power has not been appreciated and in these circumstances we regard the cost in a similar way to preliminary expenses (even if the expense was not incurred prior to incorporation of the Company) to be written off when profits are earned and available.

We have the honour to be
Sir,
Your most obedient servants
OCTAVIUS STEEL & CO.LTD

DIRECTOR
MANAGING AGENTS

B.A.

Form of Accounts prescribed under the

[See Section II of the Ac

Man

The Mangalore Elec

For the year end

No. 1.—Statement of Share Capital appropriated for the purposes of th

Description of Capital.	Authorised by	Subscribed No. of shares ~~issued~~.	Nominal amount of share	Ca
100000 Shares of Rs 10/- each.	Memorandum of Association.	56000.	Rs 10/-	

No. II.—Statement of Loan Capital appropriated for the purposes of th

Description of Loan.	Amounts Borrow		
	At per cent.	At per cent.	At per
5% First Mortgage Debentures.	5%		

In terms of our letter of even date.

Lowlock Lewes

Calcutta, 27th November 1956.

Chartered Accountant
Registered Accountants.

6

Indian Electricity Act, 1910, for Companies.

AND RULE 32 (3) OF THE RULES.]

galore. ELECTRIC LICENCE.

tric Supply Company, Limited.

d. 31st ~~December~~ March 1936

undertaking authorised by the above mentioned licence at the end of the year.

ed up per share.	Total paid-up.	Issued not paid-up.	Remaining unissued.	Total amount authorised.
10/-	560000/-		440000/-	Rs 1000000/-

undertaking authorised by the above mentioned licence at the end of the year.

t.	Total.	Remaining borrowing powers.	Total amount of borrowing powers.	
	275000/-			

For and on behalf of
THE MANGALORE ELECTRIC SUPPLY CO. LTD.
OCTAVIUS STEEL & CO. LTD.
Directors
Managing Agents.

No. III.—

For the year en

Dr.

	Expenditure up to end of previous year.	Expended during the year.	Total expendit to 31st Dec.
1. To preliminary expenses (to be specified)			
2. To lands including law charges incidental to acquisition	11282-14-6	6-8-0	11289-
3. To buildings	152531-15-6	738-7-2	153270-
4. To plant	238977-7-4	359-13-2	239337-
5. To mains ...Balance as published a/c Rs. 24383-5-1	177309-1-0	35546-3-11	212855-
6. To service connections Less Transferred to net Rev. a/c Rs. 14049-0-10	10334-4-3	3008-9-9	13342-
7. To transformers, etc.	28484-0-0	10826-7-10	39310-
8. To meters, ~~and fees for certifying under the Act~~ & Electrical Instruments	22204-0-9	7105-2-7	29309-
9. To general stores			
10. To special items (to be specified)			
" Loose & Fixed Tools	12305-0-7	254-7-10	12559
" Furniture & Fittings	2694-4-5	623-9-0	3317
" Motor Car & Bicycles	2711-0-0	2891-7-0	5602-
" Public Lamps.	6651-3-7	1832-15-1	8484
Total expenditure ...	665485-3-11	63193-11-4	72867
To balance of Capital Account		Rs	10639
		Rs	83507

7

CAPITAL ACCOUNT.

ing 31st March / ~~December~~, 1936. Cr.

	Receipts up to end of previous year.	Received during the year.	Total receipts 31st March / ~~Dec.~~ 1936
By ordinary shares of Rs 10/ Each	557750/-	2250/-	560000/-
~~Ditto~~			
~~By preference shares of~~			
~~By debenture Stock~~			
By mortgages ~~and bonds~~ First Debentures		275000/-	275000/-
~~By amounts received in anticipation of calls~~			
By other receipts (to be specified)			
" Forfeited Shares.	75/-		75/-
* " As in published Accounts. Rs 32984-5-1			
Less Adjusments to Comply with G.O. 2732 of 13.12.34			
Transferred in last year's Statement Rs 14049-0-10			
Transferred this year Rs 5592-6-3 Rs 19641-7-1			
Adjusted 4-0			
			Rs 835075/-

In terms of our letter of even date.

Calcutta, 24th November 1936.

Lovelock & Lewes
Chartered Accountants.
Registered Accountants.

For and on behalf of
THE MANGALORE ELEC. TRIC SUPPLY CO. LTD.
OCTAVIUS STEEL & CO. LTD.

Director.
Managing Agents.

No. IV.—REV

For the year endi

Dr.

A.—Generation.		
1. To fuel	19039 - 4 - 10	
2. To oil, waste, water and engine-room stores	4723 - 14 - 9	
3. To proportion of salaries of engineers, superintendents and officers	9917 - 0 - 0	
4. To wages, ~~and gratuities~~	3279 - 6 - 0	
5. To repairs and maintenance as follows:		
Buildings	659 - 0 - 4	
Plant	3106 - 2 - 10	
To special items (to be specified)		
" Proportion of provident Fund Contributions	911 - 9 - 0	41636 - 5 -
B.—Distribution.		
1. To proportion of salaries of engineers, superintendents and officers	1514 - 0 - 8	
2. To wages ~~and gratuities~~	3017 - 6 - 9	
3. To repairs, maintenance and renewals of mains	1550 - 7 - 11	
4. To repairs, maintenance and renewals of transformers, etc.	238 - 13 - 6	
5. To repairs, maintenance and renewals of meters, switches, cut-outs and other apparatus on consumer's premises	889 - 14 - 5	
6. " Repairs & Maintenance of House Services.	342 - 1 - 9	
7. " " " Instruments & Tools	595 - 13 - 4	
8. " " " Station Lighting	104 - 5 - 1	
9. Resident-Engineer's Commissions.	540 - 0 - 0	
10. Proportion of Provident Fund Contributions	313 - 1 - 0	9106 - 0 -
C.—Public Lamps.		
1. To attendance and repairs	765 - 1 - 2	
2. To renewals, etc.	941 - 0 - 11	1706 - 2 -
D.—Rents, rates and taxes.		
1. To rents payable		
2. To rates and taxes		2750 - 14 -
Forward		55199 - 6 -

ENUE ACCOUNT.

g 31st ~~December~~ March, 1936.

Cr.

1.	By Sale of energy for lighting purposes	52525-11-3	
2.	By sale of energy for power purposes	23741-10-7	
3.	By sale of energy under special contracts	2057-3-6	
4.	By public lighting	9366-6-10	87691-0-2
5.	By rental of meters and other apparatus on consumer's premises	5066-8-0	
6.	By rents receivable		
7.	By transfer fees		
8.	By service connections ... ... As published accounts Rs. 6431-4-0 Less Adjustments for the year Rs. 5592-6-3	838-13-9	
9.	By miscellaneous receipts from consumers ...	1680-1-7	
10.	By other items (to be specified) ... ... Sundry Sales & Contracts	1080-12-1	8666-3-5
	Forward.		96357-3-7

To Brought Forward		55199-
E.—Management expenses.		
1. To Directors' remuneration	1920-0-0	
2. To management	9000-0-0	
3. To general establishment charges	19999-2-4	
4. To Auditors of Company	350-0-0	31269-2
5. ~~To Auditor appointed under the provisions of the Act~~		
F.—Law charges.		
To Law expenses		234-4
G.—Depreciation.		
1. To ~~depreciation in respect of leasehold works~~		
2. To depreciation in respect of buildings	3916-2-3	
3. To depreciation on plant	16490-7-9	
4. To depreciation on mains	4432-11-7	
5. To depreciation on ~~transformers, etc.~~ House Services	1219-2-8	
6. To depreciation on meters	1665-4-10	
7. To depreciation on ~~general stores~~ Spare Plant...	322-2-3	
8. To depreciation in ~~respect of any other items to be specified~~		
9. " Public Lamps.	166-4-6	
10. " Motor Car & Bicycles	763-3-6	
11. " Loose & Fixed Tools	1400-14-5	
12 " Furniture & Fittings	269-6-10	30645-
H.—Special charges.		
To special items (to be specified) ...		
" Insurance.	3010-9-3	
" Motor Car Maintenance.	910-13-7	
" Development Expenses.	1512-0-0	5433-6
Total expenditure		122782-6
Balance carried to net revenue		

Total Expenditure 122782
96.35
Total Income 127427
Deficit 2645

NUE ACCOUNT—*contd.* Cr.

	By Brought Forward	96357-3-7
	By Balance Carried to net Revenue Account.	26424-12-7
		122782-0-2

In terms of our letter of even date.

Price Waterhouse Peat & Co.

Calcutta, 24th November 1936

Chartered Accountants.
Registered Accountants.

For and on behalf of
THE MANGALORE ELECTRIC SUPPLY CO., LTD.
OCTAVIUS STEEL & CO., LTD.

Director.
Managing Agents.

V.—NET REVE

Dr.

To Balance from Last Account	98285-9-9
1. To interest on debentures accrued due to date	13750-0-0
2. To interest on mortgages and bonds accrued due to date	
3. To interest on temporary loans accrued due to date	1911-15-2
4. To dividend on preference stock	
5. To Income-tax paid	
6. To balance applicable to dividend on ordinary stock or shares	
7. Interest on Security Deposits	622-9-4
8. Debenture Trustees Fees	150-0-
9. Balance Brought From Revenue Account	26424-12-
	141144-14-

VI.—RESERVE

Dr.

1. Amount paid out (items to be specified)	
2. Amount of balance to next Account	Nil

VII.—DEPRECIA

Dr.

To balance	1032-11-

Note:— Only the Depreciation provided on the Asset included in Statement No III has been carried to the credit of this Account. The value of Spare Gear has been included in the general Balance Sheet after deduction of Rs 322-2-3 Depreciation charged in Revenue Account G/

51032-11-

CO

NUE ACCOUNT. **Cr.**

1. ~~By balance from last account~~		
~~Less Dividend paid~~		
~~By Amount carried to Reserve Fund~~		
2. ~~By balance brought from revenue account (No. IV)~~		
3. By interest on money at deposit ..Investment.		13-2-0
" Balance Transferred to General Balance Sheet		141131-12-10
		141144-14-10

~~FUND~~ ACCOUNT. **Cr.**

1. By balance brought from last account	
2. By amount brought from net revenue account	
3. By interest on amount invested ...	
(Description of investments to be specified)	

ON ~~FUND~~ ACCOUNT. **Cr.**

1. By Balance from last account	20709-1-7
2. ~~By interest on investments~~	
3. By amount brought from revenue account (see No. IV—G.)	30323-10-4
(Description of investments to be specified)	
	51032-11-11

In terms of our letter of even date.

Lowlock & Lewes

Chartered Accountants.
Registered Accountants.

Calcutta.
29th November 1936

For and on behalf of
THE MANGALORE ELECTRIC SUPPLY CO., LTD.
OCTAVIUS STEEL & CO. LTD.

Directors
Managing Agents.

Dr.

LIABILITIES.

1.	To capital account: amount received as per Account No. III	835075-0-
2.	To sundry creditors due on construction of plant and machinery, fuel stores, etc.	1665-9-
3.	To sundry creditors ~~on open accounts~~ For Expenses.	19052-6-
4.	To net revenue account: balance at credit thereof	
5.	To reserve fund account: balance at credit thereof	51032-11-
6.	To depreciation ~~fund~~ account	
7.	To special items (to be specified)	15637-6
8.	" Security Deposits.	631-4
9.	" Interest on Security Deposits.	40250-0
10.	" Imperial Bank of India, Calcutta.	42000-0
11.	" Loan at Call.	

In terms of our letter of even date.

Lowndes Lewes

Chartered Accountants.
Registered Accountants.

Calcutta
24th November 1936

TOTAL	1005344-

BALANCE SHEET. **Cr.**

ASSETS.

1.	By capital account: amount expended for works as per Account No. III ...	728678 - 15 - 3
2.	By stores on hand ...	17754 - 8 - 3
	" Spare Gear. ...	12563 - 9 - 5
3.	By sundry debtors ...	12597 - 1 - 10
4.	By preliminary expenses awaiting adjustment { Expenditure during Construction including Brokerage & Commissions ...	55585 - 12 - 0
5.	By securities as held (cost price) ...	500 - 0 - 0
6.	By special items (to be specified) ...	
7.	By cash at bankers ...	21762 - 13 - 9
8.	By cash on hand ...	1353 - 13 - 6
9.	" Development Expenses.	6119 - 3 - 9
10.	" Expenses paid in Advance.	649 - 3 - 2
11.	" Expenditure on Deventure Issue.	6648 - 0 - 8
	Net Revenue Account Balance at Debit thereof	141131 - 12 - 10

For and on behalf of
THE MANGALORE ELECTRIC SUPPLY CO., LTD.
OCTAVIUS STEEL & CO., LTD.

Directors.
Managing Agents.

TOTAL ... 1005344 - 14 - 5

THE MANGALORE ELECTRIC SUPPLY CO. LTD.

For the year ended 31st March 1936.

12

Total energy generated in Kilowatt-hours.	KILOWATT-HOURS SOLD.	
		Public Lamps.
		By special contract.
		Consumers by meter for lighting purposes.
		Consumers by meter for power purposes.
		Total.
		Kilowatt-hours used on works.
		Kilowatt-hours not accounted for.
		Total Kilowatt-hours accounted for
		Kilowatts connected for public lamps.
		Total consumers connected.
		Total Kilowatts connected.
		Plant installed Kilowatts.
		Maximum supply demanded in Kilowatts.
686035	45215	
	53130	
	136222	
	282594	
	517161	
	47521	
	121353	
	564682	
	23.59	
	741	
	1280	
	750	
	319	

The

Mangalore Electric Supply Company,

LIMITED.

Registered 28th October, 1930.

REPORT

BY THE

DIRECTORS

For the year ended 31st March, 1936.

Calcutta

1936

The

Mangalore Electric Supply Company,

LIMITED.

Registered 28th October, 1930.

REPORT

BY THE

DIRECTORS

For the year ended 31st March, 1936.

Calcutta

1936

The

Mangalore Electric Supply Company

LIMITED.

AUTHORISED CAPITAL

Rs. 10,00,000 in 100,000 Shares of Rs. 10 each.

Board of Directors:

M. VENKATESH PAI.
E. B. C. PRESTON.
E. C. ESSON.
J. McFARLANE.
T. H. L. BROWN.

Auditors:

LOVELOCK & LEWES.

Bankers:

IMPERIAL BANK OF INDIA

Solicitors:

SANDERSONS & MORGANS.

Managing Agents:

OCTAVIUS STEEL & CO., LTD.

Registered Office:

CALCUTTA.

The

Mangalore Electric Supply Company,

LIMITED.

NOTICE.

THE Fifth Annual Ordinary General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 14, Old Court House Street, Calcutta, on Tuesday, the 1st day of September, 1936, at 12 o'clock noon, for the purpose of receiving and passing the Directors' Report and the audited Accounts for the year ended 31st March, 1936, and transacting such other business as may be brought forward.

The Share Transfer Books of the Company will be closed from 24th August, 1936, to 1st September, 1936, both days inclusive.

OCTAVIUS STEEL & CO., LTD.,
T. H. L. BROWN,
Managing Director,
Managing Agents.

CALCUTTA, 15th August, 1936.

The

Mangalore Electric Supply Company

LIMITED.

REPORT BY THE DIRECTORS

For the year ended 31st March, 1936.

THE Directors beg to submit their Report and the audited Accounts for the year ended 31st March, 1936.

Accounts.—The Revenue Account shows a deficit of	Rs.	23,353	12 10
to which there has to be added			
Debenture Interest		13,750	0 0
Debenture Trustees' Fees		150	0 0
Making the loss for the year		37,253	12 10

which increases the figure to be carried forward at debit of Profit and Loss Account to Rs. 1,21,490-5-9.

Finance.—A 5 per cent. Mortgage Debenture Loan of Rs. 2,75,000-0-0 was issued on 1st April, 1935.

Progress.—During the year to 31st March, 1936, both domestic and industrial consumers took increased supplies of electricity as compared with the previous twelve months but the development of the industrial load has been retarded on account of the continued difficulties of tile factory proprietors in finding a market for their product.

Trade generally in Mangalore has not been good and the local coffee industry has so far not provided the demand hoped for.

Since the close of the year two hospitals have been connected to the Company's system and it is anticipated that certain Government offices, which have been wired, will be soon taking supply.

The following table shows the number of consumers connected and the connected load at 31st March, 1936 and at 31st March, 1935.

	Number of Consumers.		Connected load in K.W.	
	At 31-3-36.	At 31-3-35.	At 31-3-36.	At 31-3-35.
Domestic ...	677	521	521.365	392.376
Industrial ...	60	37	695.600	401.95
Street Lighting ...	...	...	22.955	18.175

The supply of electricity has been satisfactorily maintained and the following figures show the number of units sold each month since the commencement of supply :—

Units Sold.

	1933-34.	1934-35.	1935-36.
April	.....	12,621	40,375
May	.....	15,476	41,573
June	.....	12,461	34,488
July	2,271	14,094	31,599
August	3,771	17,497	26,174
September ...	4,603	22,157	33,619
October	6,132	30,979	40,995
November ...	10,754	38,278	45,405
December ...	14,877	41,260	50,409
January	14,178	49,328	54,199
February ...	12,453	43,386	61,654
March	14,004	34,209	56,671
	83,043	331,746	517,161

Local Management.—Mr. A. V. Ramasawmi remains in charge of the Company's undertaking.

Directorate.—In March of this year Mr. T. H. L. Brown and Mr. E. C. Esson were appointed to the Board—Mr. Brown in succession to Mr. J. Macgregor who had resigned his seat on his retirement from India and Mr. Esson as substitute for Mr. H. P. Sutcliffe who had proceeded on leave. Mr. J. McFarlane joined the Board as a substitute for Mr. Eastgate who has been absent from Calcutta since April and recently Mr. E. B. C. Preston came on to the Board as a substitute for Mr. A. G. Hawkins who is on furlough.

In accordance with the Articles of Association Mr. M. Venkatesh Pai retires at this time but, being eligible, offers himself for re-election.

Auditors.—Messrs. Lovelock and Lewes retire and offer themselves for re-election.

M. VENKATESH PAI,
E. B. C. PRESTON,
E. C. ESSON,
J. McFARLANE,
T. H. L. BROWN,
} Directors.

OCTAVIUS STEEL, & CO., LTD.,
T. H. L. BROWN,
Managing Director,
Managing Agents.

CALCUTTA, 15th August, 1936.

STATEMENT OF ACCOUNTS

The Mangalore Electric Supply

BALANCE SHEET

CAPITAL AND LIABILITIES.	Rs. As. P.	Rs. As. P.
CAPITAL—		
Authorised—		
100,000 Shares of Rs. 10 each	10,00,000 0 0	
Issued—		
70,000 Shares of Rs. 10 each	7,00,000 0 0	
Subscribed—		
56,000 Shares of Rs. 10 each	.....	5,60,000 0 0
5% MORTGAGE DEBENTURES	.....	2,75,000 0 0
FORFEITED SHARES	.....	75 0 0
LOAN AT CALL	.....	42,000 0 0
IMPERIAL BANK OF INDIA, CALCUTTA	.....	40,250 8 10
DEPOSITS—		
Consumers' Security Deposits	15,637 6 1	
Interest on Security Deposits	631 4 3	16,268 10 4
CREDITORS—		
For Goods	1,665 9 2	
,, Expenses	18,210 0 11	
,, Sundries	842 5 3	20,717 15 4
		***
Carried over ...	.....	9,54,312 2 6

Company, Limited.

as at 31st March, 1936.

PROPERTY AND ASSETS.	Expenditure to 31st March, 1936.	Depreciation written off to 31st March, 1936.	Balance as at 31st March, 1936.
CAPITAL EXPENDITURE—	Rs. As. P.	Rs. As. P.	Rs. As. P.
Land	11,289 6 6	.....	11,289 6 6
Buildings	1,53,270 6 8	7,753 9 5	1,45,516 13 3
Machinery	2,78,647 12 4	24,981 6 10	2,53,666 5 6
Mains	2,12,855 4 11	8,063 4 7	2,04,792 0 4
Public Lamps	8,484 2 8	328 7 11	8,155 10 9
Meters, Indicators and Measuring Instruments	29,309 3 4	2,625 9 3	26,683 10 1
Loose and Fixed Tools ...	12,559 8 5	2,763 15 6	9,795 8 11
	7,06,415 12 10	46,516 5 6	6,59,899 7 4
HOUSE SERVICES—			
Expenditure to 31st March, 1936		32,984 5 1	
Less—Depreciation written off		1,976 11 1	
			31,007 10 0
FURNITURE AND FITTINGS—			
Expenditure to 31st March, 1936		3,317 13 5	
Less—Depreciation written off		487 8 4	
			2,830 5 1
MOTOR CAR AND CYCLES—			
Expenditure to 31st March, 1936		5,602 7 0	
Less—Depreciation written off		2,052 3 0.	
			3,550 4 0
EXPENDITURE DURING CONSTRUCTION			47,400 12 2
BROKERAGE AND COMMISSION			1,847 8 0
PRELIMINARY EXPENSES			6,337 7 10
EXPENSES OF DEBENTURE ISSUE			6,648 0 8
DEVELOPMENT ACCOUNT			6,119 3 9
Carried over ...			7,65,640 10 10

The Mangalore Electric Supply

BALANCE SHEET

CAPITAL AND LIABILITIES—contd.	Rs.	As.	P.	Rs.	As.	P.
Brought forward ...	.....			9,54,312	2	6
TOTAL Rs.	.....			9,54,312	2	6

Auditors' Report to the Shareholders.

We beg to report that we have audited the Balance Sheet of THE MANGALORE ELECTRIC SUPPLY COMPANY, LIMITED, dated 31st March, 1936, and above set forth, with the Books and Accounts as kept in Calcutta, in which are incorporated the certified returns from Mangalore, and have obtained all the information and explanations we have required. In our opinion such Balance Sheet is drawn up in conformity with the Law, and exhibits a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us, and as shown by the Books of the Company.

LOVELOCK & LEWES,
Chartered Accountants,
Registered Accountants,
} Auditors.

CALCUTTA, 27th July, 1936.

Company, Limited.

as at 31st March, 1936.

PROPERTY AND ASSETS—contd.	Rs. As. P.	Rs. As. P.
Brought forward		7,65,640 10 10
SUNDRY STOCKS-		
Oil Fuel	2,839 2 11	
Machinery Spares	12,563 9 5	
General Stores	14,915 5 4	
		30,318 1 8
BOOK DEBTS (considered good)—		
Ordinary Consumers	9,180 2 0	
Mangalore Municipality	1,026 0 4	
Sundries	2,390 15 6	
		12,597 1 10
EXPENSES PAID IN ADVANCE		649 3 2
INVESTMENT, AT COST—		
5 Reserve Bank of India Shares of Rs. 100 each, fully paid		500 0 0
CASH BALANCES—		
Imperial Bank of India, Mangalore		21,762 13 9
Cash in hand at Mangalore		353 13 6
Cash in Transit ...		1,000 0 0
PROFIT AND LOSS ACCOUNT		1,21,490 5 9
TOTAL Rs. ...		9,54,312 2 6

OCTAVIUS STEEL & CO., LTD.,
T. H. L. BROWN,
Managing Director,
Managing Agents.

M. VENKATESH PAI,
E. B. C. PRESTON,
E. C. ESSON,
J. McFARLANE,
T. H. L. BROWN.
} Directors.

The Mangalore Electric Supply

Dr. REVENUE ACCOUNT

	Rs.	As.	P.	Rs.	As.	P.
GENERATION.						
To Oil Fuel	19,039	4	10			
,, Lubricating Oil, Waste, Water and Engineering Stores	4,723	14	9			
,, Proportion of Salaries of Engineers and Officials	9,917	0	0			
,, Wages	3,279	6	0			
				36,959	9	7
,, Repairs and Maintenance—						
Buildings	659	0	4			
Plant	3,106	2	10			
				3,765	3	2
DISTRIBUTION.						
To Proportion of Salaries of Engineers and Officials	1,514	0	8			
,, Wages	3,017	6	9			
				4,531	7	5
,, Repairs and Maintenance—						
Mains	1,550	7	11			
Station Lighting ...	104	5	1			
Meters, Switches, etc. ...	889	14	5			
House Services ...	342	1	9			
Instruments and Tools ...	595	13	4			
Transformers ...	238	13	6			
				3,721	8	0
PUBLIC LAMPS.						
To Attendance and Repairs	765	1	2			
,, Renewals	941	0	11			
				1,706	2	1
CHARGES.						
To Rent and Taxes	.....			2,750	14	2
,, Management Expenses—						
Directors' Remuneration	1,920	0	0			
Managing Agents' Remuneration ...	9,000	0	0			
Engineers and Clerical Department Salaries	13,781	13	0			
General Charges ...	3,563	2	3			
Stationery and Printing	1,726	6	7			
Travelling Expenses ...	408	8	6			
Auditors' Remuneration	350	0	0			
Telephone	519	4	0			
				31,269	2	4
Carried over ...	.....			84,703	14	9

Company, Limited.

for the year ended 31st March, 1936. **Cr.**

		£ s. P.	Rs. As. P
By Sale of Energy—			
Private Consumers for Lights and Fans	...	54,035 12 9	
Private Consumers for Power Purposes	...	24,288 12 7	
Public Lighting		9,366 6 10	87,691 0 2
,, Rental of Meters		.....	5,066 8 0
,, Sundry Sales and Contracts		1,080 12 1	
,, House Services		6,431 4 0	
,, Miscellaneous Receipts		1,680 1 7	
,, Interest on Investment		13 2 0	9,205 3 8
Carried over	...		1,01,962 11 10

The Mangalore Electric Supply

Dr. REVENUE ACCOUNT

	Rs. As. P.	Rs. As. P.
Brought forward ...	.....	84,703 14 9
To Special Charges—		
Insurance	3,010 9 3	
Motor Car Maintenance	910 13 7	
Resident Engineer's Commission	540 0 0	
Development Expenses	1,512 0 0	
Legal Expenses	234 4 0	
Interest	1,911 15 2	
		8,119 10 0
,, Interest on Security Deposits	.....	622 9 4
,, Provident Fund—		
Contributions for the year to O. S. & Co., Ld., E. S. & E. D. Provident Fund ...	.....	1,221 10 0
,, Depreciation—		
Buildings	3,916 2 3	
Machinery	16,490 7 9	
Mains	4,432 11 7	
House Services	1,219 2 8	
Public Lamps	166 4 6	
Meters, Indicators and Measuring Instruments	1,665 4 10	
Loose Tools and Fixed Tools	1,400 14 5	
Furniture and Fittings	269 6 10	
Motor Car and Cycles	763 3 6	
Spare Plant	322 2 3	
		30,645 12 7
Total Rs. ...	.....	1,25,316 8 8

Examined and found correct.

LOVELOCK & LEWES,
Chartered Accountants,
Registered Accountants,
} Auditors.

Calcutta, 27th July, 1936.

Company, Limited.

for the year ended 31st March, 1936. **Cr.**

	Rs.	As.	P.	Rs.	As.	P.
Brought forward ...				1,01,962	11	10
BALANCE BEING LOSS FOR THE YEAR CARRIED TO PROFIT AND LOSS ACCOUNT				23,353	12	10
TOTAL Rs. ...	.....			1,25,316	8	8

OCTAVIUS STEEL & CO., LTD.,
T. H. L. BROWN,
Managing Director,
Managing Agents.

M. VENKATESH PAI,
E. B. C. PRESTON,
E. C. ESSON,
J. McFARLANE,
T. H. L. BROWN,
} Directors.

The Mangalore Electric Supply

Dr. PROFIT & LOSS ACCOUNT

	Rs.	As.	P.	Rs.	As.	P.
To Balance brought forward from last year ...	.....			84,236	8	11
,, Balance transferred from Revenue Account ...	.....			23,353	12	10
,, Debenture Interest	.....			13,750	0	0
,, Debenture Trustees' Fees	.....			150	0	0
Total Rs. ...	.....			1,21,490	5	9

Examined and found correct.

LOVELOCK & LEWES,
Chartered Accountants,
Registered Accountants,
} Auditors.

Calcutta, 27th July, 1936.

Company, Limited.

for the year ended 31st March, 1936. **Cr.**

	Rs.	As.	P.	Rs.	As.	P.
By Balance carried to Balance Sheet ...	.....			1,21,490	5	9
Total Rs. ...	.....			1,21,490	5	9

OCTAVIUS STEEL & CO., LTD.,
T. H. L. BROWN,
Managing Director,
Managing Agents.

M. VENKATESH PAI,
E. B. C. PRESTON,
E. C. ESSON,
J. McFARLANE,
T. H. L. BROWN,
} Directors.

G1 13 Pro copy

pl of c.no 4511-E/86 from the Mangalore E.S. Co. Ltd. No. MAN.A/C95/5 of 20-11-86.

pp 2-12 of No. MAN.A/C104/86 of 21-11-86

14536

ELECTRICITY DEPARTMENT.
Office of the Chief Engineer.
12 DEC 1986
Delivered to | Noted | Date of passing on
To be dealt with by
pp 3-17 of

Mangalore Electric licensee -

Accounts for 1934-35 & 1935-86 -

Submitted -

The licensees statutory accounts for 1985-86 referred to in para 2 of their letter at pl of. are put up at pp 3-12 of. They may be sent to the Chief Engineer for Electricity no. for remarks. He will no doubt verify whether the instructions issued in go. no. 1576 (Elec. Dept.) dated 7-7-86 have been given effect to by the licensees, when scrutinising those accounts.

pp 15-17 of (A)

2/ The licensees' explanation at 'k' on pl of is with reference to para 3 of go. no. 1576 dated 7-7-86. The instructions issued in para 3 of the go. were based on the remarks of the Electric Inspector in para b of his note forwarded with CE(E)'s no note No. 10958/85 g-8 dated 27-4-86. The CE. for Electricity may be requested no. to state whether, in the circumstances explained now by the licensees, the item 'Demonstration Plant & Expenses' may be treated in a similar way as the 'Preliminary expenses', and may be permitted to be written off from the profits of the undertaking.

p 17 of fl (A)

p 12 of fl (A)

pp 11-13 of (A)

hide 'k' on p1 of

Pro no 4511-E/86-1
10-12-86.

9-12-86 9/12

9/12 CE(E) no

14

Office of the C.E.(E).

The E.I's. remarks with which I agree are extracted below:-

E.I's remarks.

Technical.

1 The accounts are for the 2nd year of complete working. The progress made is satisfactory; the consumers have increased from 558 to 741 and the peak load from 274 K.W to 319 K.W. The units sold have increased by 51%. The units sold for power yielded an average revenue of 1.35 annas per unit which is fairly satisfactory.

Financial.

2 The deficit for the year is Rs.26,425 after providing Rs.30,646--equivalent to 4.4%-- for depreciation.

Revenue Account.

3 The classification of plant without a separate item transformers hinders one in judging the sufficiency or otherwise of the 6.9% provision for depreciation; the licensee should I think conform fully to the classifications in the approved form vide page 362 of Meares Book.

4 87% of the Engineer's salary is in generation and the rest is in distribution; this allocation of pay is not in fair proportion; the licensee may be suggested to allocate 50% for generation, 30% for distribution and 20% for management. The charge of Rs.910-13-7 shown against Motor car maintenance should I think be allocated 75% for distribution and 25% for management.

5 Two copies of the accounts are retained.

ASST. SECRETARY TO GOVT. E 4-MAR 1937 796 PUBLIC WORKS DEPT.

To the Secry. to Govt.,u.o.,
P.W.D.

C.E.(E) u.o. No.
13632/36-G.2
1--3--1937.

7/15

Pub(EL).

An idea of the progress of the undertaking may be had from the tables on p. 8 of the company's directors' report for the year ending March 1936. The company has not yet declared any dividend, but it has been providing for depreciation even from the commencement of operation. The accounts may be vetted and the E.I's suggestions communicated to the company. A draft order is submitted

vide depreciation Account - ℏ to CF & also - Rev Acct: p.9 CF

The CE has not answered the queries put to him in para 2 on p.1 ante. Apparently he agrees with the licensees suggestions at K on p. 1 CF.

15-3-37

15/3

21/3

S 20/3

S/22/3

28/23/V.

16

C.F. 16.

DRAFT FOR APPROVAL.

	Date.	Initials.
When received for fair copying		
When copied		
When examined		
When signed		
When despatched.		

SUBJECT :— Electricity - Mangalore Electric Supply Co. Ltd - Accounts for 1935-36 - Recorded.

READ AGAIN _____, dated _____ 19____.

" _____ " _____ 19____.

READ *ALSO* :—

No. 4571(E)/36 From the Mangalore Electric Supply Co. Ltd, No. MAN/A/CG5/5 dated 26/11/1936.

" _____ " _____ " _____ " _____ 19____.

" _____ " Messrs Lovelock & Lewes Chartered Accountants " 27-11-1936.

Order / ~~Resolution~~ / ~~Ms.~~ / ~~Rout.~~ No. 625-Ele/625-37, dated 23-3-1937.

Recorded.

1. The following suggestions are made in regard to the allocation of charges in the Revenue Account.

(a) Separate provision should be made for transformers under depreciation as prescribed in the standard form of accounts.

(b) A large proportion of the Engineer's salary is shown under generation. A more equitable allocation would be 50% to generation, 30% to distribution and 20% to management.

(c) The amount of Rs 9/0-13-7

17 2

shown against motor car maintenance under "H-Special Charges" may be allocated at 75% for distribution and 25% for management.

(B o C C)

15-3-37

21/3

Dpd. 23/3/37 193

To The Mangalore Electric Supply Company Ltd.
14 Old Court House Street, Calcutta

Chief Engineer & Electrician

Messrs Lovelock & Lewes,
Chartered Accountants,
4 Lyons St Calcutta